



# Glenn ANDERSON

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## STATE SENATOR

FEBRUARY 2008

### How to Contact Me



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*Dear Friends,*

*We are off to a strong start in the New Year. In January I assisted in a bi-partisan effort to pass legislation in the Senate that will help strengthen public safety and protect our communities by giving local law enforcement additional background check tools. I also introduced legislation to reform Michigan's auto insurance industry and reduce rates.*

*Tax season is upon us once again, and this newsletter is intended to help residents maximize their deductions this year. Inside you'll also find a few other tidbits, including a brief summary of the Governor's State of the State address.*

*While I am serving you in Lansing, I work diligently to maintain an open line of communication. This year I will continue offering monthly coffee hours, sending regular e-newsletters and mailings, hosting town hall meetings, and visiting many of you at your homes.*

*It is an honor and a privilege to serve you in the Michigan Senate. Thank you for your time. Please don't hesitate to contact me if I can be of assistance to you.*

*Sincerely,*

Glenn S. Anderson  
State Senator • 6th District



# Some Tax Credits You Might Not Have Considered

*Tax time is here, and while none of us look forward to the paperwork, a little extra time with that paperwork can save you big in the end. Tax credits aren't just for businesses—there are a number of credits and deductions that regular folks can take too, at both the state and federal levels. Here are some helpful tips to help maximize your deductions this year.*

## Federal Tax Breaks

**Earned Income Tax Credit:** The Earned Income Tax Credit is a large tax credit program that is available to working people with a low or moderate income. Under this credit, you could receive thousands of dollars if you qualify. Visit [www.irs.gov](http://www.irs.gov) to use the EITC Assistant and find out if you are eligible.

**Energy Efficiency Tax Credit:** Consumers who made home improvements over the past year that made their house more energy efficient may qualify for a federal tax credit. Some of the following items are covered under the federal Energy Policy Act: new windows, new exterior storm doors, additional insulation and high-efficiency heating/cooling systems. To be eligible for the tax credit, receipts for your purchases will be required.

**Hybrid Tax Credit:** Certain cars and trucks that have been certified by the IRS are eligible for a one-time “Alternative Motor Vehicle

Credit.” Qualifying vehicles purchased after January 1, 2006 are eligible for a tax credit ranging from \$400 to \$3,400. The following UAW-built hybrids qualify for a tax credit: Chevrolet Malibu ('08), Chevrolet Tahoe ('08), Chevrolet Silverado ('06-07), GMC Yukon ('08), GMC Sierra ('06-07), Ford Escape ('05-08), Mercury Mariner ('06-08), Mazda Tribute ('08), Saturn Aura ('07-08), and Saturn Vue ('07-08). More information on eligibility can be found here:

<http://www.irs.gov/newsroom/article/0,,id=157632,00.html>.

**College Tuition Credits:** College students or their parents can claim college expenses such as tuition and fees on their income taxes through the Hope Tax Credit and the Lifetime Learning Tax Credit. More information can be found at <http://www.irs.gov/taxtopics> under Education Credits, or contact the IRS by phone at **1-800-829-1040**.

## Tax Check-Offs Support Worthy Causes

It is important to remember that what we contribute through our taxes gets invested back into schools, roads, public safety, and social programs that ensure our kids get a top-notch education, our streets are safe, and Michigan businesses have the services and infrastructure they need to be effective and efficient.

Also, while I've talked about opportunities to keep more money in your pocket, tax time also provides a chance to open your hearts and

your wallets for others. Check your state tax return for an opportunity to contribute to the Military Family Relief Fund, Children's Trust Fund, or the Children of Veterans Tuition Grant Program. Just a few dollars from one person can add up to make a real difference in the lives of these children and bring a good feeling out of tax time after all.

For a complete list of all state tax forms, credits, and check-offs, visit:

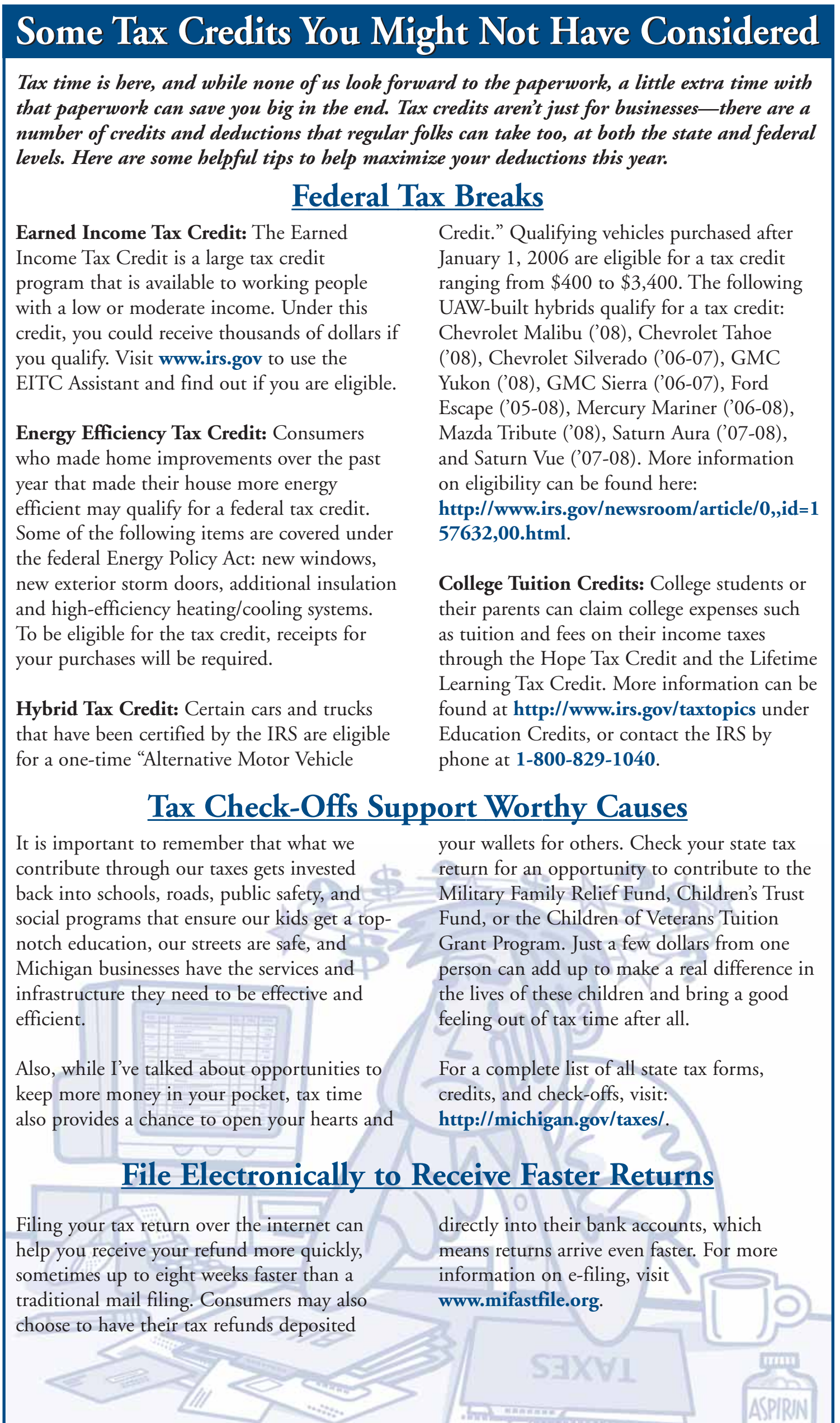
<http://michigan.gov/taxes/>.

## File Electronically to Receive Faster Returns

Filing your tax return over the internet can help you receive your refund more quickly, sometimes up to eight weeks faster than a traditional mail filing. Consumers may also choose to have their tax refunds deposited

directly into their bank accounts, which means returns arrive even faster. For more information on e-filing, visit

[www.mifastfile.org](http://www.mifastfile.org).



## State Tax Breaks

**Homestead Property Tax Credit:** Many people are familiar with the **Homestead Property Tax Credit**, which applies to homes that serve as the primary residence for their owner. If you own or rent your own home, you can deduct the property taxes that you pay from your taxable income. Similarly, if you own a farm, the **Farmland Preservation Tax Credit** gives back a share of the property tax you pay on your farmland. Farmland owners qualify for credit by agreeing to keep the land as farmland and not develop it for another use.

There are a number of other state income tax deductions often overlooked. These may seem insignificant, but together, they add up to real cash. Below are a few examples of the types of credits available on your state income taxes. More detailed information about these and other credits can be found in the Michigan Income Tax Instruction Booklet.

**Vehicle Donation Credit:** Taxpayers who donate automobiles to certain charities may claim a nonrefundable Michigan tax credit if the automobile is transferred by the charity to an individual for employment purposes.

**Homeless Shelter/Food Bank Credit:** A partial income tax credit can be claimed when a donation is made by cash or check to a

qualifying shelter for homeless persons, a food bank, a food kitchen or other entity whose primary purpose is to provide overnight accommodation, food or meals to indigent persons.

**Community Foundations Credit:** A partial income tax credit can be claimed when you donate to an endowment fund of one of the certified community foundations or component funds listed in your state tax booklet.

**Public Contribution Credit:** A partial income tax credit can be claimed for donations to a qualifying Michigan public institution. The credit is based on cash or the value of the item(s) donated.

**City Income Tax Credit:** Everyone who pays Michigan income tax is allowed partial credit for income tax paid to Michigan cities.

### **Michigan Home Heating Credit:**

The Michigan Home Heating Credit is available to lower-income families. Form MI-1040CR-7 will be sent to those who filed a Home Heating Credit in 2006. They are also available at [www.michigan.gov/treasury](http://www.michigan.gov/treasury). Forms will be available to the public by the end of January wherever tax forms are located. After February, call **(800) 367-6263** to get a form.

## 2008 Coffee Hour Schedule

*I hold regular office hours every month except July and December.  
Please stop by and share your ideas and concerns.*

### **2nd Monday of Each Month Through November**

#### **Westland**

**9am-10am**

**Bailey Recreation Center**  
36651 Ford Road  
Westland, MI 48185

#### **Redford**

**10:30am-11:30am**

**Redford Community Center**  
12121 Hemingway  
Redford, MI 48239

### **4th Monday of Each Month Through November**

*(The May coffee hour will be held on the 3rd  
Monday due to the Memorial Holiday.)*

#### **Livonia**

**9am-10am**

**Livonia Civic Park Senior Center**  
15218 Farmington Road  
Livonia, MI 48154

#### **Garden City**

**10:30am-11:30am**

**Maplewood Community Center**  
31735 Maplewood Avenue  
Garden City, MI 48135

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**Glenn Anderson**

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**Local Senior Tax Assistance – AARP**

**Garden City - (734) 793-1877**

- Tues/Wed/Thurs, 9am – 1:30pm by appointment
- Maplewood Community Center  
31735 Maplewood Rd.

**Redford**

- No Appointments Needed
- Every Thursday, 10am – 1pm  
Feb 7th – March 27th
- Redford District Library  
25320 West Six Mile Rd.
- Every Friday, 10am – 1pm  
Feb 1st – March 28th
- Redford Community Center  
12121 Hemingway Rd.

**Livonia - (734) 466-2200**

- Monday – Friday, 9am – 2pm through April 15th
- Livonia Civic Park Senior Center  
15218 Farmington Rd.

**Westland - (734) 722-7628**

- Every Monday and Friday by appointment
- Westland Senior Center  
1119 Newburgh Rd.
- Every Wednesday by appointment
- Village of Westland  
32001 Cherry Hill Rd.